(iv) Negotiating with tobacco trade for fixation of Minimum Guaranteed Price for Flue Cured Virginia Tobacco which is normally above the Minimum Support Price;

(v) Advising farmers through training programmes/meetings publicity to adopt improved varieties and package of practice recommended by the Central Tobacco Research Institute;

(vi) Providing financial assistance to the SC/ST/Small and marginal farmers for repair/reconstruction of barn demaged by the floods/heavy rain in Oct/Nov. 1996;

(vii) Opening 3 additional auction platform in Andhra Pradesh at Vellampalli, Podili and Kandukur.

**Export potential of Karnataka State**

3220. SHRI S.M. KRISHNA: Will the Minister of COMMERCE be pleased to state:

(a) the total earnings from exports of the country during last two years and the contribution of different Export Processing Zones in such export, Zone-wise;

(b) what is the share of Karnataka in total exports of the country under different items produced in that State, item-wise;

(c) whether Government have recently reviewed the performance of different Export Processing Zones (EPZ) of the country, if so, the details of such review; and

(d) whether Government propose to set up EPZ in the State of Karnataka keeping in view the export potential of the State?

THE MINISTER OF STATE OF THE MINISTRY OF COMMERCE (SHRI BOLLA BULI RAMAIAH): (a) The total earnings from exports of the country during the year 1995-96 and 1996-97 (upto Feb., 97) are Rs. 106353 crores and Rs. 105691 crores, respectively. The contribution of Export Processing Zones during 1995-96 was 3.04% and during 1996-97 (upto Feb., 97) is estimated at 3.36%. Zonewise detail of export earnings during the above period is as per statement annexed. (see below).

(b) Statewise data on exports is not maintained.

(c) The performance of Export Processing Zones is under constant review and improvements in policy and procedure are effected on the basis of feed back from the trade and industry to ensure better performance. Recent changes include grant of additional Special Import Licence of 2% of FOB value of exports linked to achievement of higher level of exports, providing better domestic access including facility to supply/sell samples in the domestic market to procure export orders through buying agents and improving flexibility of operations by simplification of sub-contracting procedures.

(d) There is presently no proposal by Central Government to set up any EPZ in Karnataka. Export Processing Zones can however now be established by State Governments or in the joint/private sector.

**Statement**

*Export earnings through Export Processing Zones.*

(Rs. crores)

| Zone | 1995-96 | 1996-97 (April, 96-Feb., 97) |
|---|---|---|
| Kandla FTZ | 325.29 | 324.53 |
| Santacruz Electronics EPZ | 1876.29 | 1788.21 |
| Noida EPZ | 496.89 | 457.61 |
| Madras EPZ | 391.92 | 817.67 |
| Cochin EPZ | 120.31 | 141.02 |

| | | |
|---|---|---|
| Falta EPZ | 24.04 | 22.12 |
| Vizag EPZ | 0.89 | — |
| Total | 3235.63 | 3551.16 |

**Lifting curbs on imports**

3221. PROF. RAM KAPSE: Will the Minister of COMMERCE be pleased to state:

(a) whether any meeting of the World Trade Organisation for lifting curbs on imports of the world was held in January, 1997;

(b) whether any demand was made to India in the said meeting to lift restrictions on imports; and

(c) if so, by whom and the action taken in the matter?

THE MINISTER OF STATE OF THE MINISTRY OF COMMERCE (SHRI BOLLA BULI RAMAIAH): (a) to (c) At the consultations held by the Committee on Balance of Payments Restrictions of the World Trade Organisation (WTO) with India in January, 1997 under Article XVIII:B of the General Agreement on Tariffs and Trade (GATT), 1994, many member countries were of the view that the present balance of payments situation of India did not warrant a continuation of import restrictions under the cover of balance of payments provisions of Article XVIII:B The International Monetary Fund (IMF), in its report to the Committee, stated that India's current monetary reserves were not inadequate and that there was no threat of a serious decline in India's monetary reserves.

The Committee agreed to resume consultations in the week beginning 2 June, 1997. The entire issue of removal of quantitative restrictions maintained for balance of payment purposes is under inter-ministerial discussion.

**Increase in Indian exports to East Asian countries**

3222. SHRI YERRA NARAYANASWAMY: Will the Minister of COMMERCE be pleased to state:

(a) whether it is a fact that India's exports to East Asian Countries has increased in recent years;

(b) if so, the details thereof;

(c) what further steps are proposed to increase exports to East Asian Countries during the next five years; and

(d) the details thereof?

THE MINISTER OF STATE OF THE MINISTRY OF COMMERCE (SHRI BOLLA BULI RAMAIAH): (a) Yes, Sir.

(b) India's exports to East Asian countries during the last 3 years were as under:—

| Year | Exports (in US $ Mn.) | Growth over the previous year |
|---|---|---|
| 1993-94 | 1981.71 | 31% |
| 1994-95 | 2326.27 | 17% |
| 1995-96 | 3177.77 | 37% |

(c) and (d) Government is constantly exploring the possibilities for boosting trade with these countries by holding bilateral discussions at various institutional fora like joint Trade Committee, Joint Ministeral Commission etc. In addition, the Chambers of Commerce of respective countries are encouraged to interact through Joint Business Councils for trade facilitation. Participation in trade fairs and exhibition, exchange of business and official delegations are being undertaken for trade promotion and to bridge the information gap wherever it exists.